

Strategy & Objective

The Best Ideas Portfolio is a diversified portfolio (not a fund) of global equities, which we believe to be well positioned to outperform the wider equity market over the longer term. The portfolio has a bias towards developed market, large capitalisation stocks.

Portfolio Performance^{1,2}

Return (%)	Annualised				1 Year	3 Month	1 Month	YTD
	S. Inception	5 Years	3 Years					
Best Ideas Portfolio	11.2	8.8	13.0		12.6	-2.6	-2.9	5.3
MSCI World	10.8	9.3	10.8		4.0	1.4	0.5	6.0
Relative	0.4	-0.5	2.2		8.6	-4.0	-3.4	-0.7

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	30.4	14.8
MSCI World	26.2	15.1

Market Commentary

Rising inflation remained a key concern for investors in May as central banks continued to raise interest rates, which, overshadowed the technology sector's advancements in artificial intelligence and new product releases. Global equity markets had mixed returns, with the S&P 500 and NASDAQ recording gains of 0.4% and 5.9% respectively, while the Euro STOXX 50 and FTSE 100 saw declines of -1.9% and -5.0% respectively. Bond yields had mixed movements, as US and UK 10-year yields increased by 22.1 and 46.4 basis points respectively, reflecting growing economic confidence and inflationary pressures. Commodity prices diverged over the month as concerns about a global recession weighed on demand. Brent Crude Oil, Copper, and Gold all declined by 8.7%, 6.1%, and 1.3% respectively. In the currency markets, the pound fell 1.4% against the US dollar and increased 2.1% against the euro.

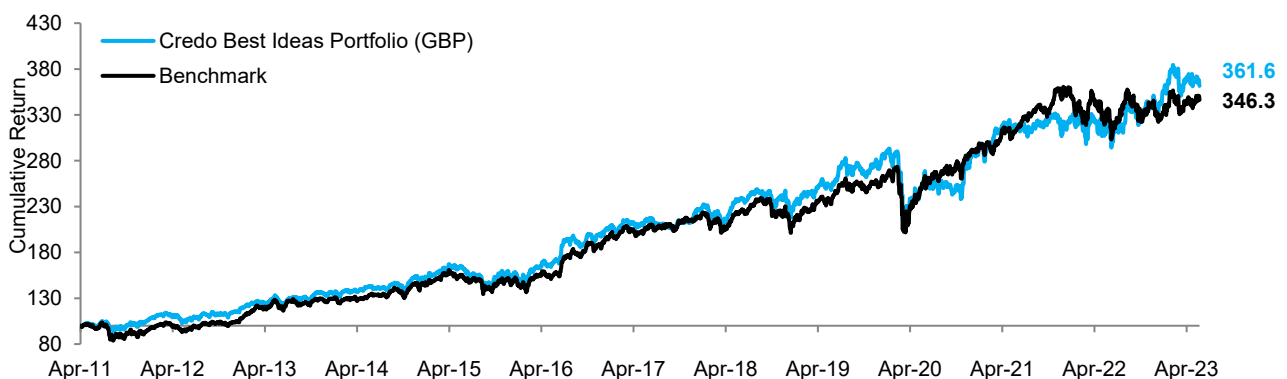
Key Contributors to Return

Frontdoor's shares increased by 14.4% after reporting better than expected first quarter results which revealed several positive business trends and resulted in a number of analyst upgrades. Meta Platforms' shares increased by 11.8% after introducing a new generative artificial intelligence tool for advertisers and new features that enhance the value of its

Key Detractors from Return

BP's shares declined by 14.2% after reporting better than expected results but warned that lower oil and gas prices will weigh on earnings during the rest of the year and significantly reduce the size of the current quarter's intended share repurchases. The Walt Disney Company's shares declined by 12.9% after reporting satisfactory second quarter results, driven by the Parks business and lower Disney+ losses, but disclosing lower than expected subscriber additions to its streaming service, warning of rising content costs and indicating that another price increase might be imminent.

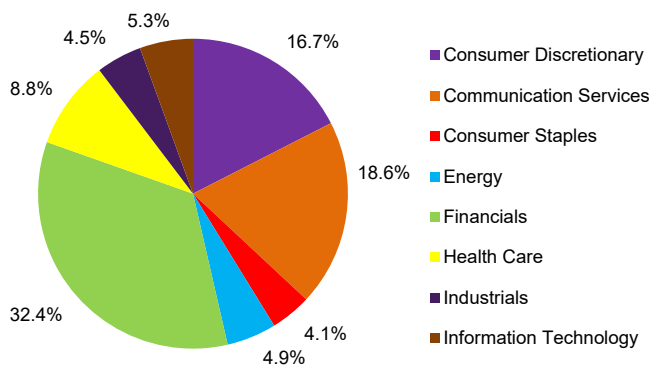
Performance Since Inception²



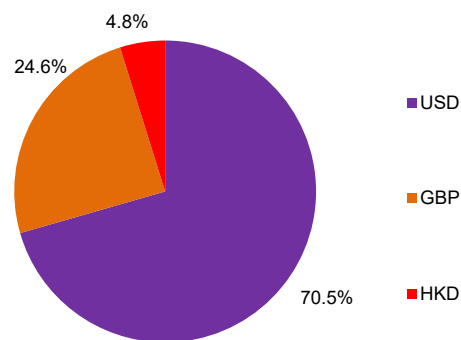
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
British American Tobacco plc	2555p	6.8x	6.5x	9.0%
Chubb Ltd	\$185.8	11.9x	9.8x	1.9%
Meta Platforms Inc-Class A	\$264.7	23.9x	18.3x	0.0%
Total Portfolio Average		18.3x	14.1x	1.3%
MSCI World		17.7x	16.3x	2.2%

Sector Allocation



Currency Allocation



Investment Philosophy

Credo's investment philosophy is based on the following tenets:

- We believe that wealth is best created and preserved through patient and disciplined investing, with a focus on the long term
- We follow a value-based approach to investing
- We seek to invest in high quality companies that are attractively priced relative to their future business prospects
- We believe that the market's short-term focus creates opportunities for those willing to concentrate on underlying business performance
- We view risk as permanent losses of capital and not in terms of short-term volatility

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(1) Performance figures are based on a notional portfolio, denominated in pound sterling, designed to track the holdings of the Credo Best Ideas Portfolio. Portfolio incorporates all additions and removals, rebalancing all holdings to a 5% weighting in the process. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash, which is assumed to be held in the relevant reporting currency of the portfolio. Portfolio and Benchmark performance is calculated before any fees and includes reinvested dividends net of withholding tax.

(2) Source: Bloomberg pricing as of 31/05/2023 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place. Inception date: 14/04/2011.

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Best Ideas Portfolio	8.9	7.4	12.9		10.3	-0.4	-4.3	7.8
MSCI World	8.3	7.8	11.0		2.1	3.8	-1.0	8.5
Relative	0.6	-0.4	1.9		8.2	-4.2	-3.3	-0.7

Risk (%)	Largest Drawdown	Volatility (Annualised)
Best Ideas Portfolio	37.1	15.3
MSCI World	34.0	15.1

Market Commentary

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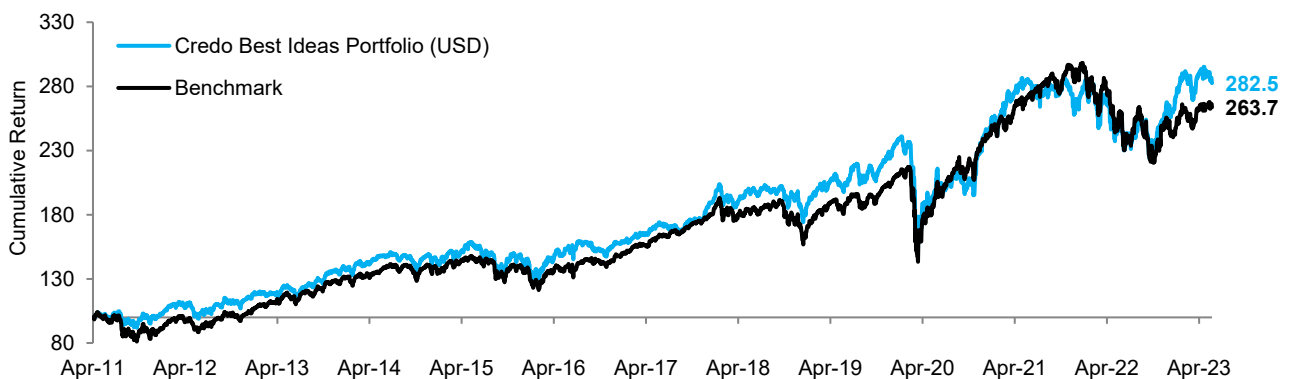
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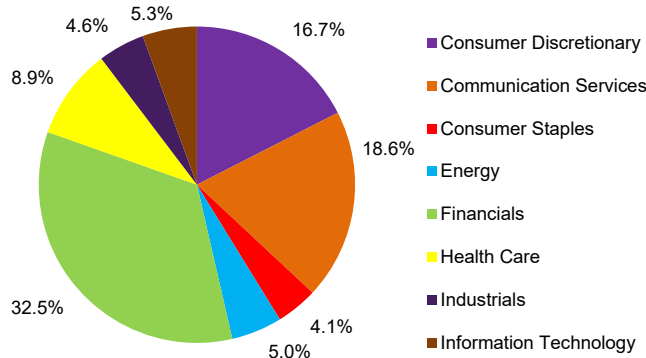
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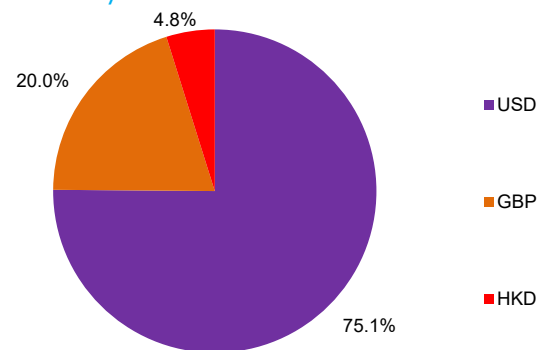
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